

Exhibit T to the Cisneros
Declaration, Revised Version –
Redacted

1 UNITED STATES DISTRICT COURT
2 NORTHERN DISTRICT OF CALIFORNIA
3 SAN JOSE DIVISION
4

5 IN RE: HIGH-TECH EMPLOYEE)
6 ANTITRUST LITIGATION)
7) No. 11-CV-2509-LHK
8 THIS DOCUMENT RELATES TO:)
9 ALL ACTIONS.)
10 _____)
11

12 HIGHLY CONFIDENTIAL - FOR ATTORNEYS' EYES ONLY
13

14 VIDEO DEPOSITION OF ALAN EUSTACE
15

16 FEBRUARY 27, 2013
17

18 Reported by: Mary Ann Scanlan-Stone, CSR No. 8875,
19 RPR, CCRR, CLR
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10:28:48 1 so...

10:28:49 2 Q. Right.

10:28:49 3 Now, when you became a senior VP of
10:28:52 4 engineering, how did your duties change?

10:28:55 5 A. Not at all. That was a straight title change.

10:29:02 6 Q. Once you were senior VP, all of the VPs
10:29:05 7 reported in to you?

10:29:06 8 A. No, no. Even when I was a VP, the VPs
10:29:10 9 reported in to me.

10:29:11 10 Actually mostly I -- when I first -- I was the
10:29:13 11 first -- besides Wayne Rosing, I was the first VP of
10:29:16 12 engineering at Google.

10:29:17 13 So after that, after he left, I was still a VP
10:29:21 14 of engineering. At that point, I had mostly directors
10:29:24 15 of engineering reporting in to me but later on, I had
10:29:27 16 VPs of engineering reporting in to me even though I was
10:29:30 17 still a VP of engineering. We weren't hung up on, you
10:29:33 18 know, the VPs can't report in to other VPs.

10:29:36 19 Q. Did the headcount change by the time you were
10:29:38 20 a senior VP of engineering?

10:29:40 21 A. The headcount went up. Every year, headcount,
10:29:44 22 you know, went up dramatically. Essentially for many
10:29:48 23 years, it doubled every year.

10:29:50 24 Q. So if you could ballpark what your groups
10:29:55 25 looked like by the time you were senior VP?

10:29:59 1 A. I think the peak reporting that I ever had was
10:30:02 2 about 16,000 people.

10:30:03 3 Q. That is a lot.

10:30:06 4 A. That is a lot.

10:30:08 5 Q. Is that when you were senior VP of
10:30:09 6 engineering?

10:30:10 7 A. Yes. That wasn't at the beginning when I was
10:30:11 8 a senior VP but right before the reorganization, I think
10:30:15 9 it was probably about 16,000, roughly half the company.

10:30:21 10 Q. So that was in the 2008 era?

10:30:24 11 A. Yeah -- well, no. That was right before the
10:30:26 12 reorganization, which happened in 2011 so...

10:30:29 13 Q. Okay.

10:30:29 14 A. Yeah.

10:30:29 15 Q. And that was when you were changed to senior
10:30:32 16 VP of knowledge?

10:30:33 17 A. Yes.

10:30:34 18 Q. Right before that?

10:30:35 19 A. Right before that.

10:30:36 20 Q. Okay, got it.

10:30:37 21 A. It is a complicated picture.

10:30:39 22 Q. In the -- if you can think back to the 2009
10:30:45 23 era, what was your headcount then?

10:30:51 24 A. Essentially we doubled almost every year, so I
10:30:53 25 would say if you had looked at the headcount, it was

10:30:58 1 probably somewhere in the range of 5,000 at that point.

10:31:09 2 Q. When you were senior VP of engineering, did
10:31:10 3 you have --

10:31:11 4 A. Actually, let me change that. The headcount
10:31:13 5 was doubling, then it slowed down over the last, you
10:31:16 6 know, few years. You can't double every year at very
10:31:20 7 large numbers.

10:31:20 8 So, you know, I think it might have been lower
10:31:23 9 than that then. It might have been -- or it might have
10:31:29 10 been slightly higher than that. It might have been
10:31:32 11 10,000 rather than 5,000.

10:31:34 12 Q. Okay, thank you.

10:31:36 13 When you were senior VP of engineering, did
10:31:39 14 you have a role at that point in policy development
10:31:41 15 around recruiting?

10:31:42 16 A. No.

10:31:43 17 Q. How about in terms of policy around
10:31:45 18 compensation?

10:31:48 19 A. I mean in both these, obviously people
10:31:51 20 solicited my inputs on things like, you know,
10:31:53 21 recruiting, I need more systems people, I need --
10:31:57 22 obviously I need to go in that.

10:31:59 23 I saw compensation on a daily basis so, you
10:32:02 24 know, every offer -- the way that we make offers at the
10:32:05 25 company, which is different than most companies, is

10:32:10 1

[REDACTED]

10:32:12 2

[REDACTED]

10:32:16 3

[REDACTED]

10:32:21 4

[REDACTED]

10:32:25 5

[REDACTED]

10:32:27 6

[REDACTED]

10:32:29 7

[REDACTED]

10:32:33 8

[REDACTED]

10:32:35 9

[REDACTED]

10:32:39 10

[REDACTED]

10:32:43 11

[REDACTED]

10:32:46 12

[REDACTED]

10:32:47 13

[REDACTED]

10:32:50 14

[REDACTED]

10:32:53 15

[REDACTED]

10:32:56 16

[REDACTED]

10:32:59 17

[REDACTED]

10:33:02 18

[REDACTED]

10:33:05 19

[REDACTED]

10:33:21 20

Q. And now that you are senior VP of knowledge,

10:33:23 21

have your duties changed yet again?

10:33:27 22

A. Oh, yeah. That was a dramatic change. That

10:33:30 23

was -- before, we were organized functionally where

10:33:32 24

engineering basically was in one large organization and

10:33:36 25

now we're organized by product areas and so each product

10:33:41 1 area has a different leader and has both product and
10:33:46 2 engineering underneath it.

10:33:48 3 It doesn't have horizontal functions like
10:33:52 4 sales and things like that. It's not like GM style
10:33:55 5 role, but, yes, it changed, it changed dramatically.

10:33:59 6 Most of the company that I used to manage, I
10:34:01 7 no longer manage and Search and what Search is becoming
10:34:05 8 was underneath me.

10:34:06 9 Q. Okay.

10:34:07 10 A. I also as an anomaly had responsibility for
10:34:11 11 international offices, although many of the
10:34:15 12 international offices, now the heads reported directly
10:34:18 13 in to product areas, but nominally, I still have
10:34:21 14 responsibility for making sure that the health of our
10:34:23 15 international offices continued.

10:34:28 16 Q. When you were first hired as VP of
10:34:30 17 engineering, to whom did you report?

10:34:33 18 A. Wayne Rosing.

10:34:34 19 Q. And who was Mr. Rosing's supervisor?

10:34:38 20 A. Excuse me. When I was hired as director of
10:34:40 21 engineering, is that what you said?

10:34:41 22 Q. Yes.

10:34:43 23 MR. RUBIN: I think it is Rosing, R-O-S-I-N-G.

10:34:47 24 MS. DERMODY: Rosing. Thank you.

10:34:48 25 MR. RUBIN: Sure.

10:43:53 1 would be -- you know, we would spend four or five hours
10:43:56 2 together every Monday. I wasn't going to add another
10:43:59 3 meeting on top of that, but we did regularly talk about
10:44:02 4 topics.

10:44:02 5 If something came up, we would create a
10:44:05 6 meeting for it. You know, a few of those people, if I
10:44:07 7 look at where most of my emails went back and forth,
10:44:10 8 they were to those people. So, no, but we did not have
10:44:14 9 a separate meeting.

10:44:15 10 [REDACTED]

10:44:18 11 [REDACTED]

10:44:21 12 [REDACTED]

10:44:23 13 [REDACTED] [REDACTED]

10:44:25 14 [REDACTED]

10:44:27 15 [REDACTED]

10:44:30 16 [REDACTED]

10:44:32 17 [REDACTED]

10:44:33 18 [REDACTED]

10:44:38 19 [REDACTED]

10:44:41 20 [REDACTED]

10:44:44 21 [REDACTED]

10:44:46 22 Q. [REDACTED]

10:44:49 23 [REDACTED]

10:44:51 24 A. [REDACTED]

10:44:53 25 [REDACTED]

10:44:57 1

10:45:00 2

10:45:04 3

10:45:07 4

10:45:10 5

10:45:13 6

10:45:16 7

10:45:20 8

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10:45:24 10

10:45:28 11

10:45:32 12

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10:46:00 24

10:46:08 25

Q. And in that same time period, that is when you were VP or senior VP of engineering, was there a compensation committee of the company?

MR. RUBIN: Of the board you mean?

MS. DERMODY: Of the company.

MR. RUBIN: Oh, the company.

THE WITNESS: There was a compensation committee on the board. I don't recall a compensation committee other than the board.

BY MS. DERMODY:

Q. And was there a group of people at the company level who were dedicated to reviewing compensation issues in an organized way?

A. Yes. In the HR organization, there was a group in HR, what we call People Ops that was responsible for compensation across the company.

Q. In that same time period when you were VP or

10:46:11 1 senior VP of engineering, who was the leader or leaders
10:46:14 2 of that group?

10:46:18 3 A. The leader right now is Frank, I don't
10:46:20 4 remember his last name, and there was somebody before
10:46:21 5 that that handled compensation and I'm sorry, I just
10:46:26 6 don't recall the name.

10:46:34 7 Q. And what was, as far as you know, the role of
10:46:37 8 that group in terms of establishing compensation for the
10:46:39 9 company, if any?

10:46:41 10 A. They were responsible for making sure that we,
10:46:43 11 you know, have, you know, a total comp across, you know,
10:46:47 12 engineering and product and, you know, sales and
10:46:50 13 marketing and legal.

10:46:51 14 So their responsibility was to take a global
10:46:55 15 look at compensation across the company.

10:46:56 16 Q. But I think that we've lost a word in your
10:47:00 17 answer. Let's make sure.

10:47:01 18 You said they were responsible for making sure
10:47:04 19 that we have something in engineering and product.

10:47:08 20 A. I have no idea what that word might have been.
10:47:10 21 I mean, they were responsible for compensation across
10:47:12 22 the company.

10:47:13 23 Q. Okay.

10:47:14 24 A. It included, you know -- if you're not
10:47:19 25 careful, compensation will drift across different

10:47:21 1 companies and you will end up with inequities across the
10:47:25 2 company and, you know, they're responsible for coming up
10:47:28 3 with a compensation plan which is inclusive of all the
10:47:31 4 different groups in the company.

10:47:34 5 Q. Okay.

10:47:34 6 Was that to make sure that directors in one
10:47:38 7 area of the company weren't being paid vastly different
10:47:41 8 than directors in a different part of the company,
10:47:44 9 people with equivalent talents were paid similarly?

10:47:47 10 A. No, I wouldn't say that. You know, we're an
10:47:49 11 engineering company, right, so Larry has always said and
10:47:53 12 Eric has always said that the engineering side of the
10:47:55 13 organization from a compensation point of view and
10:47:57 14 engineering and product actually get treated differently
10:48:01 15 than the rest of the company, and I think that was well
10:48:03 16 known in the company.

10:48:04 17 So, you know, we're building great products.
10:48:07 18 We want to make sure we get the best possible people
10:48:10 19 building those great products and so, you know, maybe
10:48:13 20 it's just my own view but I thought engineering got
10:48:16 21 treated -- engineering and product were treated
10:48:18 22 differently.

10:48:19 23 Actually I know that's true, that compensation
10:48:22 24 systems were set up to compensate engineers and product
10:48:25 25 managers differently than the rest of the company. A

10:48:28 1 director is not a director, is not -- a director is not
10:48:31 2 a director is not a director across the company.

10:48:34 3 Q. Okay.

10:48:44 4 In terms of the compensation committee of the
10:48:48 5 board, did you ever participate in those meetings?

10:48:52 6 A. Not a single time.

10:48:54 7 Q. Okay.

10:48:54 8 A. As a matter of fact, I try to avoid board
10:48:57 9 meetings completely. I was very successful for many
10:49:00 10 years.

10:49:02 11 Q. Have you ever participated in any board
10:49:05 12 meeting where the issue of recruiting or the issue of
10:49:08 13 compensation was discussed?

10:49:17 14 A. Any board meeting where -- I don't believe so.

10:49:22 15 Q. Okay.

10:49:24 16 A. I mean, we would have a conversation about
10:49:28 17 some area that we were going to get into, say, you know,
10:49:33 18 we really feel like we need more machine learning people
10:49:36 19 or, you know, this particular technology is really, you
10:49:38 20 know, dedicated to that.

10:49:39 21 And so in the course of that, I might say, you
10:49:41 22 know, this is an area that we're going to focus on, this
10:49:44 23 is an area we're going to recruit in but no recruiting
10:49:48 24 strategy, just letting them know areas of the company
10:49:51 25 that I felt we needed to invest in.

13:57:22 1 do not call Intel. It was part of my practice, not
13:57:25 2 because of something that the company had told me or
13:57:28 3 that Eric had told me but that the company didn't have
13:57:32 4 the right expertise.

13:57:37 5 They were building chips and we were building
13:57:40 6 systems and those two expertise actually have very
13:57:43 7 little intersection. So this is kind of meaningless to
13:57:46 8 me from an engineering point of view.

13:57:48 9 I would never have asked about what the policy
13:57:51 10 is toward Intel because I would not have actively, you
13:57:55 11 know, tried to recruit executives from Intel.

13:57:59 12 MS. DERMODY: Okay.

13:58:00 13 Q. And in looking at this document, where there
13:58:03 14 is a reference to Google's commitment to terminate a
13:58:10 15 recruiter that calls into Intel, does that refresh your
13:58:13 16 recollection about any conversations you might have had
13:58:15 17 about the commitment that Google had to not let that
13:58:19 18 happen?

13:58:20 19 MR. RUBIN: Objection. Lacks foundation.

13:58:23 20 THE WITNESS: I never knew about this policy.

13:59:31 21 BY MS. DERMODY:

13:59:32 22 Q. Do you know if Google's commitment not to cold
13:59:37 23 call other companies was shared with the companies that
13:59:42 24 were the subject of that decision?

13:59:45 25 MR. RUBIN: Objection. Lacks foundation.

13:59:49 1 THE WITNESS: I do not know.

13:59:56 2 MS. DERMODY: Okay.

13:59:56 3 Q. Do you know if Google's board of directors was
13:59:58 4 ever advised that Google had made a decision not to cold
14:00:02 5 call the employees of certain companies?

14:00:11 6 A. I do not know.

14:00:23 7 Q. Do you have an awareness of how compensation
14:00:25 8 was set at Google in the time period where you were a VP
14:00:30 9 and a senior VP in the company?

14:00:33 10 MR. RUBIN: Objection. Vague.

14:00:36 11 THE WITNESS: I have -- you know, as the VP of
14:00:39 12 engineering, I know broadly how we -- how compensation
14:00:45 13 was set but I don't know the details.

14:00:47 14 MS. DERMODY: Okay.

14:00:48 15 Q. Let's start with engineering. How was it set
14:00:51 16 there?

14:00:51 17 A. Compensation group would do surveys across the
14:00:57 18 board of what other companies are paying particular
14:00:59 19 people. They would set up bands of people in each of
14:01:03 20 these different areas. They would carefully try to make
14:01:07 21 sure that the job descriptions were, you know,
14:01:10 22 comparable because levels and things varied between
14:01:14 23 companies.

14:01:15 24 They would try to make sure that they were
14:01:18 25 matching against comparable companies because many times

14:01:21 1 the job descriptions are very different. [REDACTED]

14:01:25 2 [REDACTED]

14:01:28 3 [REDACTED]

14:01:31 4 [REDACTED]

14:01:34 5 [REDACTED]

14:01:36 6 [REDACTED]

14:01:40 7 [REDACTED]

14:01:42 8 [REDACTED]

14:01:44 9 [REDACTED]

14:01:48 10 [REDACTED]

14:01:52 11 [REDACTED]

14:01:56 12 so they would work with that -- with all that set of

14:02:00 13 data.

14:02:01 14 And of course, it would vary by location and

14:02:03 15 geography, country, and so it was a complex matrix to

14:02:09 16 try to figure out what the correct bands would go. And

14:02:13 17 so I think that's the -- at my level, that's how I

14:02:16 18 looked at how compensation was set.

14:02:22 19 Q. And in terms of all of that, are we talking

14:02:26 20 about base salary or are you including bonus and equity

14:02:29 21 as well?

14:02:30 22 A. I believe it's everything.

14:02:31 23 Q. Okay.

14:02:31 24 And was that true for 2005 and 2006 and '07

14:02:40 25 and '08 and '09?

14:04:58 1 Q. Fair enough.

14:05:00 2 Let's talk about the meta-conversations. I
14:05:03 3 think that was your term.

14:05:04 4 A. Uh-huh.

14:05:05 5 Q. So in that group, on what interval might you
14:05:10 6 talk about where you wanted your salaries to be at a
14:05:14 7 meta level? That is, I know you said the example [REDACTED]
14:05:19 8 [REDACTED] or something.

14:05:22 9 What would be -- would that be an annual
14:05:25 10 discussion or a quarterly discussion? Did it come up
14:05:27 11 every time that you're recruiting?

14:05:30 12 MR. RUBIN: Are you asking within EMG?

14:05:32 13 MS. DERMODY: Yes, EMG.

14:05:33 14 MR. RUBIN: And time period or --

14:05:35 15 MS. DERMODY: Unlimited right now, yeah.

14:05:40 16 THE WITNESS: Those -- generally those
14:05:41 17 discussions were done [REDACTED] [REDACTED]

14:05:44 18 [REDACTED]

14:05:48 19 [REDACTED]

14:05:51 20 [REDACTED]

14:05:54 21 [REDACTED] [REDACTED]

14:05:57 22 [REDACTED]

14:06:03 23 [REDACTED]

14:06:06 24 [REDACTED]

14:06:10 25 [REDACTED] [REDACTED]

14:06:12 1 [REDACTED].

14:06:12 2 But, you know, my goal and pretty much
14:06:16 3 everybody's goal was to deliver product and to hire the
14:06:19 4 best people we could to basically deliver things, and so
14:06:24 5 there wasn't an active, you know, set of conversations
14:06:27 6 on what the price points are.

14:06:28 7 We all had flexibility to change stuff, you
14:06:30 8 know, offers if we needed to, so these were guidelines.

14:06:37 9 BY MS. DERMODY:

14:06:37 10 Q. And did you come up with guidelines on an
14:06:39 11 annual basis for what the salaries would be for
14:06:42 12 positions?

14:06:42 13 A. I didn't. The People Ops organization had
14:06:45 14 some guidelines on this person at this level is probably
14:06:51 15 going to be in this band.

14:06:53 16 Q. And for bonuses, did the executive management
14:06:59 17 group discuss what the bonus pool might be or how
14:07:02 18 bonuses would be distributed across the company on an
14:07:05 19 annual basis?

14:07:11 20 A. [REDACTED]
14:07:13 21 [REDACTED]
14:07:22 22 [REDACTED]
14:07:25 23 [REDACTED]
14:07:28 24 [REDACTED]
14:07:31 25 [REDACTED].

14:07:33 1 Q. Okay.

14:07:50 2 You said that Google has participated in
14:07:52 3 salary surveys, correct?

14:07:54 4 A. I assume. I don't know whether we just found
14:07:57 5 out information from other companies and didn't
14:07:59 6 participate ourselves or whether they participated.

14:08:03 7 Q. Okay. So you are not sure?

14:08:04 8 A. No, I do not know.

14:08:06 9 Q. Okay.

14:08:11 10 A. I've had discussions about which companies are
14:08:13 11 in the salary survey and whether they're reflective of
14:08:16 12 the engineers that we have so I know there are some
14:08:19 13 surveys, but I didn't -- I have never seen a survey.

14:08:24 14 Q. And I think you mentioned that Google makes
14:08:27 15 some attempt to ascertain salary structures or salary
14:08:31 16 levels at other competitors; is that right?

14:08:35 17 MR. RUBIN: Objection. Mischaracterizes prior
14:08:36 18 testimony.

14:08:38 19 THE WITNESS: For you to do a salary
14:08:40 20 comparison, you have to match up titles, like a staff
14:08:43 21 engineer at Google is equivalent to what title at, I
14:08:48 22 don't know, Intel.

14:08:49 23 So for you to do that, you have to do that
14:08:53 24 matching, so they were involved in trying to understand
14:08:55 25 what the matching is.

15:20:55 1 more than somebody who is the lowest person at the next
15:20:57 2 level.

15:20:58 3 Maybe they got promoted -- maybe they were
15:21:00 4 hired into that level but never really performed at it
15:21:03 5 and therefore there can be varying versions in bands,
15:21:07 6 and bands are made wide enough to support inversions for
15:21:11 7 that reason.

15:21:11 8 BY MS. DERMODY:

15:21:11 9 Q. And the question is if you're a manager who
15:21:14 10 wants to pay outside the band, is there a process to
15:21:16 11 have that decision approved?

15:21:21 12 A. Yes. Those things are flagged as outside the
15:21:25 13 norm and then the manager -- you know, that would be in
15:21:27 14 red so when the salary review happens, a manager will be
15:21:31 15 able to see it.

15:21:33 16 Also, the People Ops representative will flag
15:21:35 17 those and probably talk to the managers -- manager to
15:21:38 18 ask, do you think that's appropriate or not? And there
15:21:42 19 will usually be an explanation on why.

15:21:45 20 Q. And in your area of responsibility, are you
15:21:48 21 the person who individually reviews those exceptions or
15:21:52 22 do you do that in conjunction with People Ops?

15:21:54 23 A. [REDACTED]

15:21:57 24 [REDACTED]

15:22:01 25 [REDACTED]

15:22:04 1

[REDACTED]

15:22:06 2

[REDACTED]

15:22:10 3

[REDACTED]

15:22:15 4

[REDACTED]

15:22:18 5

[REDACTED]

15:22:20 6

[REDACTED].

15:22:23 7

Q. Okay.

15:22:23 8

And is it your understanding that those salary

15:22:26 9

bands for positions are reviewed on some interval to

15:22:30 10

determine whether they should be increased or are

15:22:33 11

appropriate for that skill level?

15:22:37 12

A. The People Ops organization sets those bands.

15:22:40 13

Q. And is that on an annual basis, do you know,

15:22:42 14

or is that --

15:22:43 15

A. I have no idea.

15:22:44 16

Q. Okay.

15:22:50 17

In your experience, has Google periodically

15:22:54 18

considered increasing compensation company-wide?

15:22:57 19

A. Yes.

15:22:57 20

Q. And under what circumstances?

15:23:05 21

A. There was a program called Big Bang. I'm sure

15:23:10 22

you know that there was an attempt for us to not

15:23:12 23

increase compensation but to move compensation around,

15:23:16 24

to change the mix of compensation to make us more

15:23:22 25

attractive versus potentially other companies with

15:23:25 1 different mixes.

15:23:28 2 Q. Have there been other occasions?

15:23:33 3 A. [REDACTED]

15:23:36 4 [REDACTED]

15:23:38 5 [REDACTED]

15:23:42 6 [REDACTED]

15:23:45 7 [REDACTED]

15:23:49 8 I mean it's kind of hard to say what the
15:23:54 9 question is. [REDACTED]

15:23:57 10 [REDACTED]

15:24:00 11 [REDACTED], do you consider that a company-wide change?

15:24:02 12 Q. Sure, yes.

15:24:03 13 A. So, yes.

15:24:04 14 MR. RUBIN: So in that definition.

15:24:05 15 MS. DERMODY: Yes.

15:24:06 16 THE WITNESS: [REDACTED]

15:24:07 17 MS. DERMODY: Okay.

15:24:07 18 Q. And can you describe the occasions that's
15:24:09 19 happened to your knowledge?

15:24:11 20 A. I don't know. [REDACTED]

15:24:12 21 [REDACTED]

15:24:19 22 [REDACTED] [REDACTED]

15:24:22 23 [REDACTED]

15:24:27 24 [REDACTED]

15:24:29 25 [REDACTED].

15:24:31 1 The argument was that we really are trying to
15:24:33 2 hire the best people and we should be prepared to
15:24:35 3 compensate them more.

15:24:37 4 Q. And can you recall the specific times or the
15:24:42 5 specific decisions to increase based on a, you know,
15:24:46 6 percentage of where you were in the market? You said
15:24:51 7 [REDACTED] percentile but --

15:24:52 8 A. I don't remember the exact times.

15:24:53 9 Q. Do you remember the decisions that were made?

15:24:58 10 A. I'm not sure what you mean, "the decisions
15:25:00 11 that were made."

15:25:01 12 Q. [REDACTED]

15:25:03 13 A. I have no idea. I know they increased. I
15:25:05 14 know they increased over time. I don't know what the
15:25:08 15 specific increments were.

15:25:11 16 Q. Do you know roughly how many times, let's say
15:25:13 17 between 2005, 2009?

15:25:15 18 A. No.

15:25:16 19 Q. Do you recall if cost of living adjustments
15:25:19 20 were part of the mix in terms of determining every --
15:25:24 21 all employees' compensation annually?

15:25:28 22 MR. RUBIN: Objection. Foundation.

15:25:30 23 THE WITNESS: [REDACTED]

15:25:32 24 [REDACTED]

15:25:39 25 [REDACTED]

15:45:35 1 THE WITNESS: Yes.

15:45:36 2 BY MS. DERMODY:

15:45:37 3 Q. And what was the gist of that conversation or
15:45:41 4 those conversations in this time period?

15:45:47 5 A. I don't know about this time period but the
15:45:49 6 philosophy I think that I remember is we're not going to
15:45:54 7 let individual people get picked off by Facebook and
15:45:58 8 that [REDACTED].

15:46:02 9 Q. And do you recall there being some -- let me
15:46:09 10 ask you this. Who is [REDACTED]

15:46:12 11 A. I don't know. He's just an engineer.

15:46:16 12 Q. Okay.

15:46:17 13 A. As far as I know. I don't know him
15:46:18 14 personally.

15:46:18 15 Q. And do you recall there being some reaction
15:46:22 16 from at least one person, if not more, that people that
15:46:27 17 were getting counteroffers were being treated
15:46:29 18 differently than the people that weren't making
15:46:31 19 themselves available to Facebook?

15:46:34 20 A. Yes, there was a reaction. I mean, I wouldn't
15:46:39 21 say it was widespread but there were individuals that
15:46:46 22 expressed concern about our aggressive counteroffer
15:46:51 23 strategy.

15:46:51 24 Q. And do you recall what the thrust of the
15:46:58 25 concern was that was being expressed about that?

15:47:03 1 A. I mean, the concern was that we would -- that
15:47:09 2 by staying at Google and being loyal to Google, that you
15:47:13 3 would be disadvantaged versus people that are actively
15:47:19 4 shopping themselves around and trying to get the best
15:47:22 5 salary and then coming back and asking for Google to
15:47:25 6 match it.

15:47:26 7 And if that strategy plays out poorly, then
15:47:29 8 you would be encouraging somebody to interview in other
15:47:33 9 places in order to increase their compensation. That
15:47:35 10 was their argument.

15:47:39 11 Q. Were there any steps that you're aware that
15:47:43 12 Google took to counter that concern or address that
15:47:46 13 concern?

15:47:49 14 MR. RUBIN: Objection. Foundation.

15:47:56 15 THE WITNESS: I mean, I know that, you know,
15:47:58 16 the question was asked for me, I'm sure it was asked to
15:48:01 17 other people to explain why this is. I feel like we
15:48:06 18 have a responsibility to answer that question.

15:48:09 19 BY MS. DERMODY:

15:48:09 20 Q. Do you know if Google or individuals within
15:48:12 21 Google took steps to increase the compensation of
15:48:16 22 coworkers around an employee who received a counteroffer
15:48:20 23 in order to address the concerns that that employee was
15:48:23 24 being treated differently truly because they were
15:48:25 25 disloyal enough to be solicited?

15:48:29 1 A. [REDACTED]

15:48:31 2 [REDACTED]

15:48:35 3 [REDACTED]

15:48:38 4 [REDACTED]

15:48:41 5 [REDACTED]

15:48:47 6 [REDACTED]

15:48:48 7 [REDACTED]

15:48:50 8 [REDACTED]

15:48:55 9 [REDACTED]

15:48:58 10 [REDACTED]

15:49:02 11 [REDACTED]

15:49:15 12 MS. DERMODY: Can I have 626?

15:49:35 13 MR. HARVEY: (Complies.)

15:49:35 14 BY MS. DERMODY:

15:49:36 15 Q. So I've passed you the document --

15:49:38 16 A. What perfect timing.

15:49:41 17 Q. Sometimes you get it right.

15:49:44 18 -- marked as Plaintiff's Exhibit 626

15:49:48 19 previously and this document appears to be an email from

15:49:51 20 you from October 14th, 2010 to Shona Brown.

15:49:57 21 Do you recognize this document?

15:50:00 22 A. Yes.

15:50:08 23 Can I go ahead and read it?

15:50:10 24 Q. Sure, yes.

15:51:11 25 A. (Reviews document.)

15:52:04 1 Okay. I have completed it. Thank you.

15:52:08 2 Q. Sure.

15:52:08 3 This is a series of emails that's discussing
15:52:12 4 the counteroffer issue again; is that correct?

15:52:15 5 A. That is correct.

15:52:16 6 Q. And once again, there is some feedback from
15:52:19 7 the field of concern that counteroffers end up rewarding
15:52:23 8 the people that are not the loyal employees but who end
15:52:27 9 up getting paid more through the dumb luck of being
15:52:31 10 recruited; is that right?

15:52:34 11 MR. RUBIN: Objection. Mischaracterizes this
15:52:35 12 document. Let it speak for itself, but if you can
15:52:37 13 answer, Alan.

15:52:39 14 THE WITNESS: I don't think it is a dumb luck
15:52:41 15 situation. I think as I said in the previous question
15:52:46 16 people that are incredibly loyal and never look outside,
15:52:49 17 you know, potentially have -- are disadvantaged. That's
15:52:56 18 true across the board with all companies.

15:52:58 19 I mean, the people that are constantly
15:53:01 20 shopping themselves around with other companies, happens
15:53:04 21 to lawyers, happens in every place, there is potentially
15:53:07 22 an advantage to them over the long term of changing from
15:53:11 23 firm to firm and basically picking up the highest title
15:53:14 24 or highest salary.

15:53:15 25 Over the long term, that may or may not be the

15:39:20 1 I, Mary Ann Scanlan-Stone, Certified Shorthand
15:39:20 2 Reporter licensed in the State of California, License
15:39:20 3 No. 8875, hereby certify that the deponent was by me
15:39:20 4 first duly sworn and the foregoing testimony was
15:39:20 5 reported by me and was thereafter transcribed with
15:39:20 6 computer-aided transcription; that the foregoing is a
15:39:20 7 full, complete, and true record of said proceedings.

15:39:20 8 I further certify that I am not of counsel or
15:39:20 9 attorney for either of any of the parties in the
15:39:20 10 foregoing proceeding and caption named or in any way
15:39:20 11 interested in the outcome of the cause in said caption.

15:39:20 12 The dismantling, unsealing, or unbinding of
15:39:20 13 the original transcript will render the reporter's
15:39:20 14 certificates null and void.

15:39:20 15 In witness whereof, I have hereunto set my
15:39:20 16 hand this day: March 3, 2013.

15:39:20 17 _____ Reading and Signing was requested.

15:39:20 18 _____ Reading and Signing was waived.

15:39:20 19 ___X___ Reading and signing was not requested.

15:39:20 20

15:39:20 21

15:39:20 22 _____
MARY ANN SCANLAN-STONE

15:39:22 23 CSR 8875, RPR, CCRR, CLR

24

25

**CORRECTIONS TO DEPOSITION TRANSCRIPT OF
ALAN EUSTACE, DATED FEBRUARY 27, 2013**
In re High-Tech Employee Antitrust Litigation
Case No. 11-CV-2509-LHK (N.D. Cal.)

| Page:Line | Amendment | Reason for Amendment |
|------------------|---|--------------------------------|
| 12:7 | Replace: "I can recall" With: "I can't recall" | correction to transcript error |
| 18:7 | Replace: "and steady state" With: "and at its steady state" | correction to transcript error |
| 18:9 | Replace: "responsibilities to me" With: "responsibilities for me" | correction to transcript error |
| 18:21 | Replace: "VP -- VP of engineering but I was a VP in engineering and reported to the VP of engineering" With: "VP -- I was a VP in engineering and reported to the VP of engineering" | clarification |
| 20:10 | Replace: "needed done" With: "needed to be done" | correction to transcript error |
| 22:6 | Replace: "tell me what I thought" With: "tell him what I thought" | correction to transcript error |
| 22:7 | Replace: "merits of what other people were" With: "merits of what other people were doing" | correction to transcript error |
| 27:12 | Replace: "reported" With: "report" | correction to transcript error |
| 27:15 | Replace: "continued" With: "continues" | correction to transcript error |

| Page:Line | Amendment | Reason for Amendment |
|------------------|---|--------------------------------|
| 29:2 | Replace: "it's is" With: "it is" | correction to transcript error |
| 32:8 | Replace: "with" With: "within" | correction to transcript error |
| 37:25-38:1 | Replace: "drift across different companies" With: "drift across different groups" | correction to transcript error |
| 38:1 | Replace: "companies" With: "groups" | correction to transcript error |
| 40:22 | Replace: "there have been" With: "there may have been" | correction to transcript error |
| 64:3 | Replace: "There's's" With: "There's" | correction to transcript error |
| 66:15 | Replace: "backup" With: "backend" | correction to transcript error |
| 95:5 | Replace: "Those companies" With: "Those people" | correction to transcript error |
| 133:16 | Replace: "what the correct bands would go" With: "what the correct bands would be" | correction to transcript error |
| 139:5 | Replace: "two" With: "II" | correction to transcript error |
| 139:9 | Replace: "two" With: "II" | correction to transcript error |
| 139:14 | Replace: "two" | correction to transcript error |

| Page:Line | Amendment | Reason for Amendment |
|-----------|---|--------------------------------|
| | With: "II" | |
| 142:6 | Replace: "I'm not even near." With: "It's not very clear." | correction to transcript error |
| 154:12 | Delete: "but I think I really remember the stock grants" | correction to transcript error |
| 167:5 | Replace: "versions" With: "inversions" | correction to transcript error |
| 178:2 | Delete: "Brand" | correction to transcript error |
| 180:3 | Replace: "cache" With: "cachet" | correction to transcript error |
| 192:7 | Replace: "I changed" With: "a change" | correction to transcript error |
| 194:9 | Replace: "Crous" With: "Cos" | correction to transcript error |

Subject to the above changes, I certify that the transcript is true and correct.

Signature

Date